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U.S. War Food Administration
THE LIVESTOCK FEED SITUATION

Broadcast by J. B. Hutson, Associate Administrator, War Food Administration, and Wallace L. Kadderly, Chief of Radio Service, in the Department of Agriculture's portion of the National Farm and Home Hour, Wednesday, August 18, 1943, over stations associated with the Blue Network,

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KADDERLY: And this time we'll probe into one of the most important farm problems that the war has brought upon us.....it's the problem of livestock feed. We have with us Mr. J. B. Hutson. As both associate administrator of the War Food Administration and president of the Commodity Credit Corporation, he naturally keeps close tab on feed supplies and requirements. He's in an A-1 position to bring us up to date on the feed situation, and I'm glad to introduce to you again....Jack Hutson.

HUTSON: First of all, I should like to express appreciation to our Mid-West farmers for their response to the request of the War Food Administration to increase the marketings of corn for use by processors supplying corn products to our war industries. More than 35 million bushels of corn were marketed from July 1 through August 10. This has made possible the continued, full-time operation of many war industries - a wide range of war industries ...from asbestos to munitions.

But now that this particular war need has been satisfied, there still remains the urgent need for corn for the feeding of livestock in the deficit grain producing areas - East, West, and South...and even within the Corn Belt itself....where dairy and poultry producers are striving to maintain the flow of milk and eggs at high levels.

The War Food Administration is selling feed wheat in these deficit areas...and it is importing feed grains from Canada for the use of Western and Northeastern producers of livestock products...but the requirements for feed are beyond the quantity these efforts can supply.

We hope that the Mid-West grain producers will continue to market corn for shipment to these areas of feed shortage, as a part of their continuing efforts in the war food program.

No doubt, an important factor stimulating the marketing of corn the last six weeks has been the remarkable improvement in the 1943 corn crop. Despite late plantings of this grain . . . and despite an unfavorable start ...the 1943 corn crop has improved so, that at the moment, the prospect is for a near-record production of close to 2 billion 900 million bushels of corn this year.

Indeed, the prospects for the corn crop - except in some eastern areas - are more favorable than at this time last year, when finally more than 3 billion 100 million bushels of corn were produced.

The need for this large production of corn - supplemented by other domestic grains, and by imported grains - may be readily appreciated in the

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fact that the Nation's livestock population will likely be at new peaks this winter - approximately 5 to 10 percent greater than in the winter of 1942-43.

The corn prospects are not the only encouraging part of the feed outlook. Encouraging also are the recent reports of the 1943 crops of oilseeds - record acreages and possibly record crops of soybeans, peanuts, and flaxseed. These crops yield vegetable oils and high-protein feed for livestock this winter. In these large plantings also is manifest the response of farmers to our war needs for vegetable oils and high protein food and feed.

Last year, every effort was made to facilitate the marketing and processing of the record tonnage of oil crops. Despite many difficulties, the prices to farmers were supported by the Government at higher levels than in 1941. . . and the prices for meal and cake were maintained at low levels in comparison with other feed, so as to stimulate the production of livestock products.

Difficulties included marketing and processing bottlenecks; and to get the maximum crush of soybeans it was necessary to arrange for the crushing of beans in Southern, Eastern and Western mills. The cost of this movement was borne by the Federal Government. Including the price supports to farmers for the raw products, the processing of soybeans inside and outside the Corn Belt, and the relatively low pricing of meal and cake, the cost to the Government through June 30 this year was more than 28 million dollars.

This year we hope to keep this cost at a low level even though support prices to farmers for the raw products are higher than they were on the 1942 crops.

In order to prevent waste of these protein feed crops and encourage distribution for their most effective uses, the Government recently raised the ceiling prices on high protein feeds in line with other feeds, and required processors to set aside the remaining supply of oilseed meal produced from 1942 crops, the meal to be purchased by the Commodity Credit Corporation at the old ceiling prices and sold at the new ceiling prices.

Immediately, this action was widely criticized. It was said that windfall profits would accrue to the Government - until people realized that the difference in price would only partial offset to a small degree the much larger sums the Federal Government had put out to keep oil and meal prices at relatively low levels.

The set-aside action placed all crushers and consumers on the same price level with respect to meal delivered after August 1; it avoided the necessity of enforcing ceiling prices at two levels on the same commodity; and it prevented some mills from charging higher prices on new crop meal at the same time that other mills would be forced to sell at old ceiling prices with resulting confusion and charges of favoritism.

The War Food Administration is now working out with producers, processors, and the trade the handling of the 1943 oilseed crops. The primary

objective is to get the maximum production of oil...food...cake, and meal. In achieving this objective we intend to do whatever is necessary and reasonable to have a buyer available for every bushel of soybeans and flaxseed and every ton of peanuts that farmers offer for sale this autumn at the support prices guaranteed by the Government . . . and to make protein feed available at prices in line with other feed.

The effective utilization of our feed supplies is one of the most important agricultural problems. More than half of all farm land is used to produce feed and pasturage for livestock. We no longer have unlimited feed supplies, and farmers should use the available supplies so that we can produce the largest quantities possible of the livestock products that are needed most.

KADDERLY: In this review of the livestock feed situation and of recent Government actions to relieve the feed problem, you've heard J. B. Hutson, Associate Administrator of the War Food Administration.

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